

*LEGAL SERVICES CORPORATION
OFFICE OF INSPECTOR GENERAL*



*Strategic Plan
2015 - 2019*

June 2015

Message from the Inspector General

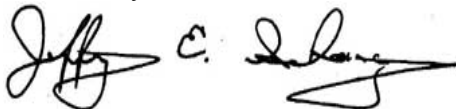
I am pleased to present the Strategic Plan of the Legal Services Corporation (LSC) Office of Inspector General (OIG) for the years 2015 to 2019. LSC was established to promote equal access to justice by funding civil legal assistance for low-income Americans. This Strategic Plan defines the goals, objectives, and strategies for our activities, under the authority of the Inspector General Act, to promote efficiency, effectiveness, and integrity in LSC's and its grant recipients' programs and operations.

The OIG contributes to LSC's mission success by helping to protect its programs from fraud and abuse; providing Congressionally mandated oversight; and by providing independent and objective analysis to assist decision-makers in improving performance, accountability, and transparency throughout the federally funded civil legal aid program.

Audits, investigations, and reviews are the primary tools used by the OIG to help protect and maximize Federal taxpayer dollars invested in civil legal aid. The OIG's multidisciplinary staff functions as a team of dedicated professionals that sets high standards in the conduct of the OIG's work. We take an impartial and fact-based approach to all of our activities. We strive each day to ensure that our work is of the highest quality, and is timely, accurate, fair, and useful as we understand the integrity of our products is the foundation of our reputation. Ultimately, the success of this Plan and of the OIG depends upon the daily contributions of each employee and our commitment to the core values and mission of the OIG and to the fundamental mission of LSC.

In this Plan we set out our key objectives and strategies to be a relevant and effective resource for LSC management, its Board of Directors, and the Congress into the future. As much of our work is driven by current issues and program initiatives, as well as requests from stakeholders, the Plan is flexible. It will be supplemented by continuous risk assessments and annual OIG work planning and priorities. The Plan will be updated periodically as appropriate. In this manner we look forward to continuing to provide valued service to the Legal Services Corporation, the Congress, legal aid eligible persons, and the American taxpayer.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey E. Schanz". The signature is written in a cursive, flowing style.

Jeffrey E. Schanz
Inspector General

TABLE OF CONTENTS

Mission	1
Vision	1
Statutory Responsibilities	1
Core Values	2
Goals	3
Objectives and Strategies	3
Relationship to LSC Strategic Plan	5
LSC Management Challenges	6
Environmental Impacts.....	7
Appendix A: Statutory and Institutional Framework.....	8
Appendix B: OIG Organizational Structure.....	10

Mission

The mission of the OIG¹ is to serve as an independent resource to protect the integrity and improve the efficiency of LSC's and its grant recipients' programs and operations. We perform our mission by carrying out objective audits, investigations, and reviews that help support LSC to:

- Prevent, deter and detect fraud, waste, and abuse;
- Promote economy, efficiency and effectiveness; and,
- Keep LSC management, the Board of Directors, and the Congress fully and currently informed.

Vision

We will be a highly effective Office of Inspector General that identifies opportunities for improvements in the accountability, integrity, and performance of the federally-funded civil legal aid program.

Statutory Responsibilities

As prescribed by the IG Act, we will:

- Maintain an independent and objective organization to conduct and supervise audits and investigations relating to the operations of LSC and its grant recipients;
- Recommend policies for activities to promote economy, efficiency, and effectiveness in the administration of LSC and the programs it funds;
- Take appropriate actions to prevent and detect fraud, waste and abuse in LSC and grantee operations;
- Seek and coordinate beneficial relationships between LSC and governmental agencies, and nongovernmental entities to achieve these ends;
- Keep the Board of Directors and the Congress fully informed about problems and deficiencies and the necessity for and progress of corrective action;

¹ See *Appendix – A, Statutory and Institutional Framework*, page 9.

- Receive and, as appropriate, investigate complaints from any person or entity, including the Congress;
- Report violations of law to the U.S. Attorney General or appropriate law enforcement officials;
- Notify the Board of Directors and the Congress of serious or flagrant problems in LSC or its grant recipients;
- Review and make recommendations regarding existing and proposed legislation and regulations;
- Protect the identity of whistleblowers; and,
- Provide semiannual and other reports to the Congress.

Furthermore, we perform additional responsibilities as assigned by the Congress.²

Core Values

The OIG's efforts are guided by these five core values which we believe are critical to fulfilling our responsibilities:

1. Accountability - We take responsibility for the quality of our work and promote a commitment to excellence, objectivity, and consistency in all our efforts. We must act with fiscal responsibility and be good stewards of taxpayer dollars with respect to our own operations, and foster the same conduct and approach in LSC programs.
2. Integrity - We act ethically and morally and strive to maintain the highest level of trust, honesty and credibility.
3. Professionalism - We adhere to the professional standards of our disciplines, demonstrate high standards of professional conduct, and strive to produce objective, relevant, and high-quality work products.
4. Communication - We value honesty and transparency and promote effective, accurate, and timely communications with LSC management and staff, the Board, and Congress, as well as with external stakeholders.
5. Teamwork - We are committed to fostering a friendly and respectful work environment. We believe in constructive relationships and effective communications, working together to achieve our mission and goals.

² See *Appendix – A Statutory and Institutional Framework, page 10.*

Goals

In fulfilling our mission and statutory responsibilities the OIG's goals are to:

Goal 1: Promote LSC effectiveness by delivering high value OIG products as a trusted advisor that identifies areas for improvement and communicates those to stakeholders.

Goal 2: Advance excellence in OIG performance by effectively managing and leveraging our human resources and information systems.

Objectives and Strategies

The OIG's objectives and strategies in pursuing our goals are to:

Goal 1: Promote LSC effectiveness by delivering high value OIG products.

Objective 1 – Prevent and minimize fraud, waste and abuse throughout the federally funded civil legal aid program.

Strategies:

- Perform outreach and education programs to promote awareness of fraud vulnerabilities and prevention measures;
- Provide proactive vulnerability assessments to evaluate and enhance the integrity of operations and controls;
- Run detection programs including a national hotline and annual audits;
- Conduct investigations and refer findings to federal, state or local law enforcement and professional disciplinary authorities;
- Ensure protections for whistleblowers.

Objective 2 – Promote economy and efficiency within LSC and its grant recipients.

Strategies:

- Perform fiscal/compliance/performance audits and assessments of the programs and operations of LSC and its grant recipients;
- Oversee the LSC audit program including the LSC and grant recipients annual audits;

- Enhance coordination with grant recipients' Independent Public Accountants (IPAs) and LSC's Offices of Compliance and Enforcement and Program Performance;
- Identify and promote best practices of similar leading organizations;
- Review and comment on the effectiveness of related legislation and regulations.

Objective 3 – Deliver credible, relevant and high quality products.

Strategies:

- Maintain independence and operational flexibility;
- Stay informed about LSC initiatives and solicit input from stakeholders;
- Perform on-going risk assessments, prioritize work in high risk areas, and maximize coverage of program and operations;
- Ensure timeliness and usefulness of products;
- Meet or exceed professional quality standards;
- Leverage working relationships in the IG community and employ best practices.

Objective 4 – Foster open and effective communication and working relations.

Strategies:

- Regularly communicate with LSC management and staff, the Board of Directors, and the Congress;
- Enhance outreach to effectively communicate OIG initiatives and strengthen relationships with stakeholders (including the Congress, Board, management, grantees, outside parties and the public);
- Employ the 3C's – Communication, Coordination and Cooperation operating philosophy;
- Maintain a user-friendly, current, and useful OIG website.

Goal 2: Advance excellence

Objective 1 – Enhance OIG performance and management practices.

Strategies:

- Improve measures and track the OIG contribution;
- Review and augment operational efficiencies;
- Ensure effective communication within and across work components to fully inform organizational planning and performance;
- Facilitate internal improvement recommendations.

Objective 2 – Promote professionalism and talent.

Strategies:

- Recruit and retain a highly-skilled workforce;
- Support a motivated, results oriented work culture and uphold core values;
- Promote professional growth through training and ongoing professional development;
- Provide a flexible work environment;
- Ensure succession and transition planning.

Objective 3 – Strengthen information management and technology solutions.

Strategies:

- Leverage data analytics in OIG strategy and operations;
- Improve and formalize sharing of LSC and grantee data;
- Strengthen the management of OIG data;
- Stay current with information technology best practices, including security.

Relationship to LSC Strategic Plan

The Strategic Goals of the Legal Services Corporation, as stated in its strategic plan are to:

1. Maximize the availability, quality, and effectiveness of the civil legal services that its grantees provide to eligible low-income individuals;
2. Become a leading voice for civil legal services for poor Americans; and
3. Achieve the highest standards of fiscal responsibility both for itself and its grantees.

The OIG provides independent, objective, and valued oversight to assist LSC in fulfilling its strategic goals for the benefit of the American people.

In recent years the Corporation has embarked on a series of initiatives to review and redesign management programs and controls in the areas of corporate governance, grants management, fiscal oversight, contracting and acquisition, private fundraising, information management, information technology security and human capital management. The OIG will focus its work to help ensure the processes reap the benefits that the LSC and the Congress anticipate and provide sufficient controls to ensure accountability.

LSC Management Challenges

The OIG has independently identified the following as areas that we consider to be serious management and performance challenges facing the Corporation. The OIG uses its ongoing risk assessments to identify and monitor high risk areas and guide future OIG work planning.³ These areas are also among those commonly identified by the Government Accountability Office and other OIGs in the annual Council of Inspectors General on Integrity and Efficiency Report to the President.

LSC Challenge Areas:

1. Performance Management and Accountability. LSC recognizes the challenge that it must collect and effectively use reliable performance and accountability data to assess and demonstrate LSC's and its grant recipients' performance and value in order to ensure accountability and funder support. This information is needed to support strategy, policy and operational improvements to achieve the greatest benefit to the public. LSC needs to continue to be innovative in finding ways to garner and leverage scarce financial resources invested in civil legal aid.
2. Grants Management and Procurement. Throughout the federal government, procurement and grants have historically been prone to fraud and waste. Improving management and oversight in these areas remains a challenge at LSC. LSC needs to continue to improve grants administration and oversight (including sub-grants), to strengthen acquisition management programs, and to ensure compliance with laws and regulations (including congressionally mandated practice restrictions).
3. Governance and Controls Systems. LSC must preserve the requisite independence from its grant recipients and those who represent them to objectively fulfill its statutory responsibilities and maintain strong oversight. Addressing uneven oversight by grant recipient boards provides LSC an opportunity to help strengthen recipients' governance and accountability that is so important to the integrity of the national program. Updating and maintaining a sound system of policies and controls to manage the programs and operations of LSC and the grant recipients remains a serious management challenge.

³ The practice is required at major government agencies by the *Reports Consolidation Act of 2000*, 31 USC §3516(2)(d), and is incorporated here as an OIG best practice.

4. Human Capital Management. Managing human capital - hiring, training, and retaining a competent and motivated staff - is a performance challenge that concerns LSC and its grant recipients. Particular challenge areas include developing and implementing new performance management and compensation systems, newly unionized workforce, workforce morale, and succession planning.
5. Information Technology Management and Security. Ensuring that LSC's and its grant recipients' information systems are effective and safe is crucial to program operations. Significant challenges in this area include: the creation of an LSC-wide grantee information management system, security of LSC's and grantees' confidential data, and disaster recovery. Ensuring the effectiveness of its technology investments, including the Technology Initiative Grants, also requires meeting the challenges of standardization, replication and sustainability of its projects.

Environmental Impacts

The OIG faces several external influences and challenges in meeting our strategic goals and objectives including:

- Inability to ensure management implementation of OIG recommendations;
- Timely access to LSC and grant recipient data;
- Inevitable changes in Congressional, Board of Directors and management priorities and leadership;
- Funding limitations;
- Impact of the political environment on LSC and OIG support; and,
- Unforeseen events.

Appendix A: Statutory and Institutional Framework

In 1988, the Congress amended the IG Act and required LSC and about 30 other small, federally-funded entities to establish independent Offices of Inspector General. General OIG authority derives from the *Inspector General Act of 1978, 5 U.S.C. Appendix 3*, as amended, which provided for the creation of an independent and objective unit—

- to conduct and supervise audits and investigations relating to the programs and operations of the establishment;⁴
- to provide leadership and coordination and recommend policies for activities to promote activities designed (A) to promote economy, efficiency, and effectiveness in the administration of, and (B) to prevent and detect fraud and abuse in, such programs and operations;⁵ and
- to provide a means to keep the head of the establishment and the Congress fully and currently informed about problems and deficiencies relating to the administration of such programs and operations and the necessity for and progress of corrective action.⁶

Annual LSC Appropriation Acts, which include a separate budget line for the OIG, assign various responsibilities to the OIG,⁷ including to: oversee IPA audits, manage the suspension/debarment program in regards to IPAs, and additional oversight responsibilities.

Today, the LSC OIG works together with 71 other statutory OIGs in the Council of Inspectors General on Integrity and Efficiency (CIGIE) in furtherance of the IG mission. CIGIE was statutorily established as an independent entity within the executive branch by the *Inspector General Reform Act of 2008, P.L. 110-409* to:

- address integrity, economy, and effectiveness issues that transcend individual Government agencies; and
- increase the professionalism and effectiveness of personnel by developing policies, standards, and approaches to aid in the establishment of a well-trained and highly skilled workforce in the offices of the Inspectors General.

To accomplish its mission, the CIGIE:

- continually identifies, reviews, and discusses areas of weakness and vulnerability in federal programs and operations with respect to fraud, waste, and abuse;

⁴ *Inspector General Act*, §§2(1); 4(a)(1).

⁵ *Inspector General Act*, §§2(2); 4(a)(2),(3) and (4).

⁶ *Inspector General Act*, §§2(3); 4(a)(5).

⁷ FY 1996, *Pub. L. 104—134*, 110 *Stat. 1321* (1996) §509.

- develops plans for coordinated, government-wide activities that address these problems and promote economy and efficiency in federal programs and operations, including interagency and interentity audit, investigation, inspection, and evaluation programs and projects to deal efficiently and effectively with those problems concerning fraud and waste that exceed the capability or jurisdiction of an individual agency or entity;
- develops policies that will aid in the maintenance of a corps of well-trained and highly skilled Office of Inspector General personnel;
- maintains an Internet website and other electronic systems for the benefit of all Inspectors General;
- maintains one or more academies as the Council considers desirable for the professional training of auditors, investigators, inspectors, evaluators, and other personnel of the various offices of Inspector General;
- submits recommendations of individuals to the appropriate appointing authority for any appointment to an office of Inspector General, as described elsewhere in the act;
- makes such reports to the Congress as the Chairperson determines are necessary or appropriate; and,
- performs other duties within the authority and jurisdiction of the Council, as appropriate.

Appendix B: OIG Organizational Structure

The IG mission is performed by the five components of the OIG.

Audit – Directs the LSC audit program reviewing LSC and grantee programs and operations. The unit oversees the grantee audit process, including providing audit guidance, tracking IPA findings and corrective action, and conducting the audit Quality Control Review program. It also performs financial, compliance and performance audits.

Executive – Leads the accomplishment of the IG mission at LSC and oversees all OIG components and operations. The executive staff keeps the Board of Directors and the Congress informed and consults on topics with the LSC Board and management. Its members actively participate in CIGIE activities, including the CIGIE Audit Committee.

Investigation – Actively maintains a proactive fraud and non-compliance prevention and detection program; investigates instances of fraud, waste, abuse, and mismanagement involving LSC's and its grant recipients' programs, operations and personnel; reports results to appropriate authorities; and assists in prosecutions, civil recovery actions and questioned cost proceedings.

Legal – Provides legal advice to all OIG components; reviews and comments on legislation, regulations and policies affecting LSC and its operations; represents the OIG in litigation, including subpoena enforcement matters; responds to Freedom of Information Act requests; reviews and processes subpoenas; and suspends or debars IPAs from auditing LSC grantees as needed.

Management and Evaluation – Manages the business operations of the OIG, including policy and planning, budget and financial management, human resources, information technology, information management systems, procurement, administration and facilities. It also conducts evaluations and risk assessments, and provides general analytical support.